

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02448A

High Country Pines Water Company, Inc.
5025 N. Central Avenue, Box 586
Phoenix, AZ 85012

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2010
----	----	------

FOR COMMISSION USE

ANN 04	10
--------	----

4-13-11

4-14-11

COMPANY INFORMATION

Company Name (Business Name)

HIGH COUNTRY PINES WATER COMPANY

Mailing Address

5025 N. Central Avenue, Box 586

PHOENIX

AZ

85012

(City)

(State)

(Zip)

602-274-5933

602-274-6755

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address

Local Office Mailing Address

SAME AS ABOVE

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact:

SUSAN STROUD

(Name)

(Title)

SAME AS ABOVE

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address

On Site Manager:

CRAIG RHOTEN

(Name)

P.O. BOX 502

HEBER

AZ

85928

(Street)

(City)

(State)

(Zip)

928-535-3550

928-240-0591

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address

PLUMBSQUARECONST@YAHOO.COM

Statutory Agent: <u>SUSAN STROUD</u>			
(Name)			
<hr/>			
(Street)	(City)	(State)	(Zip)
<hr/>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
<hr/>			
Attorney: _____			
(Name)			
<hr/>			
(Street)	(City)	(State)	(Zip)
<hr/>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
<hr/>			
Email Address _____			

OWNERSHIP INFORMATION

Check the following box that applies to your company:

<input type="checkbox"/> Sole Proprietor (S)	<input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co-op (A)
<input type="checkbox"/> Receivership (R)	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Describe) _____	

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input checked="" type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To The Board of Directors of
High Country Pines Water Company
Phoenix, Arizona

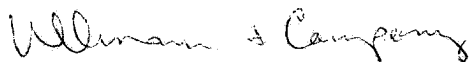
We have compiled the balance sheet of High Country Pines Water Company (a corporation) as of December 31, 2010 and 2009, and the related comparative statement of income and expense for the years then ended included in the accompanying prescribed form. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the form prescribed by the Arizona Corporation Commission.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with requirements prescribed by the Arizona Corporation Commission and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

These financial statements are presented in accordance with the requirements of the Arizona Corporation Commission, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Arizona Corporation Commission and is not intended to be and should not be used by anyone other than this specified party.

All other information contained in the accompanying prescribed form has not been audited, reviewed, or compiled by us and, accordingly, we assume no responsibility for that information.


ULLMANN & COMPANY, P.C.
Certified Public Accountants

March 17, 2011

COMPANY NAME
HIGH COUNTRY PINES WATER COMPANY

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	5,167		5,167
302	Franchises			
303	Land and Land Rights	3,450		3,450
304	Structures and Improvements	11,227	8,627	2,600
307	Wells and Springs	34,135	33,733	402
311	Pumping Equipment	48,183	48,183	0
320	Water Treatment Equipment	5,310	2,250	3,060
330	Distribution Reservoirs and Standpipes	82,645	40,087	42,558
331	Transmission and Distribution Mains	543,367	259,254	284,113
333	Services	8,505	8,405	100
334	Meters and Meter Installations	17,641	8,494	9,147
335	Hydrants	19,016	11,038	7,978
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	18,214	18,214	0
	TOTALS	796,860	438,285	358,575

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME
HIGH COUNTRY PINES WATER COMPANY

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	5,167		
302	Franchises			
303	Land and Land Rights	3,450		
304	Structures and Improvements	11,227	3.33%	374
307	Wells and Springs	34,135	3.33%	1,137
311	Pumping Equipment	48,183	12.50%	701
320	Water Treatment Equipment	5,310	3.33%	177
330	Distribution Reservoirs and Standpipes	82,645	2.22%	1,835
331	Transmission and Distribution Mains	543,367	2.00%	10,867
333	Services	8,505	3.33%	283
334	Meters and Meter Installations	17,641	8.33%	1,469
335	Hydrants	19,016	2.00%	380
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	18,214	5.00%	0
	SUBTOTAL	796,860		17,223
	CIAC AMORTIZATION			(5,230)
	TOTALS	796,860		11,993

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME
HIGH COUNTRY PINES WATER COMPANY

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 17,214	\$ 12,703
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	(1,549)	(554)
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	1,462	1,232
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 17,127	\$ 13,381
	FIXED ASSETS		
101	Utility Plant in Service	\$ 794,494	\$ 796,860
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	421,062	438,285
121	Non-Utility Property		-
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 373,432	\$ 358,575
	TOTAL ASSETS	\$ 390,559	\$ 371,956

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page

COMPANY NAME
HIGH COUNTRY PINES WATER COMPANY

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	\$ 655	\$ 2,006
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	225	225
236	Accrued Taxes	1,768	1,685
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 2,648	\$ 3,916
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ -	\$ -
	DEFERRED CREDITS		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	428,276	423,835
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	195,248	195,248
272	Less: Amortization of Contributions	86,480	91,710
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 537,044	\$ 527,373
	TOTAL LIABILITIES	\$ 539,692	\$ 531,289
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 150,446	\$ 150,446
211	Paid in Capital in Excess of Par Value	13,522	13,522
215	Retained Earnings	(313,101)	(323,301)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ (149,133)	\$ (159,333)
	TOTAL LIABILITIES AND CAPITAL	\$ 390,559	\$ 371,956

See Accountants' Compilation Report

COMPANY NAME
HIGH COUNTRY PINES WATER COMPANY

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 80,170	\$ 74,237
460	Unmetered Water Revenue		
474	Other Water Revenues	569	1,057
	TOTAL REVENUES	\$ 80,739	\$ 75,294
	OPERATING EXPENSES		
601	Salaries and Wages	\$ -	\$ -
610	Purchased Water		
615	Purchased Power	4,065	3,893
618	Chemicals	99	85
620	Repairs and Maintenance	15,685	30,984
621	Office Supplies and Expense		
630	Outside Services	47,911	32,601
635	Water Testing		
641	Rents		
650	Transportation Expenses		
657	Insurance - General Liability	1,863	1,969
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	899	1,416
403	Depreciation Expense	14,090	11,993
408	Taxes Other Than Income		
408.11	Property Taxes	2,889	2,540
409	Income Tax	45	45
	TOTAL OPERATING EXPENSES	\$ 87,546	\$ 85,526
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 25	\$ 31
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/EXP	\$ 25	\$ 31
	NET INCOME/(LOSS)	\$ (6,782)	\$ (10,201)

See Accountants' Compilation Report

COMPANY NAME	HIGH COUNTRY PINES WATER COMPANY
--------------	----------------------------------

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ 4,317
Meter Deposits Refunded During the Test Year	\$ 1,316

COMPANY NAME HIGH COUNTRY PINES WATER COMPANY	
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-507314	30	104	950	8	N/A	1985

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	2	51	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
60,000	1	5,000	
100,000	1		

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS			CUSTOMER METERS	
Size (in inches)	Material	Length (in feet)	Size (in inches)	Quantity
2			5/8 X 3/4	
3	PVC	1,160	3/4	196
4			1	
5			1 1/2	
6	PVC	24,604	2	1
8	PVC	14,455	Comp. 3	
10			Turbo 3	
12			Comp. 4	1
			Turbo 4	
			Comp. 6	
			Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

LIQUID CHLORINATOR

STRUCTURES:

PUMP HOUSE 18 X 20

CHAIN LINK FENCING - 320'

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: HIGH COUNTRY PINES WATER COMPANY	
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	199	385,687	385,687	0
FEBRUARY	199	127,823	127,823	0
MARCH	197	107,498	107,498	0
APRIL	196	381,102	381,102	0
MAY	196	360,629	360,629	0
JUNE	194	571,697	571,697	0
JULY	196	1,440,515	1,440,515	0
AUGUST	198	856,406	856,406	0
SEPTEMBER	198	617,939	617,939	0
OCTOBER	195	599,068	599,068	0
NOVEMBER	197	970,970	970,970	0
DECEMBER	196	134,020	134,020	0
TOTALS →		6,553,354	6,553,354	0

What is the level of arsenic for each well on your system? 005 mg/l
 (If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 500 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☒ Yes ☐ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
☐ Yes ☒ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: HIGH COUNTRY PINES WATER COMPANY	
Name of System:	ADEQ Public Water System Number:

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	0	
FEBRUARY			
MARCH			
APRIL			
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER			
TOTALS →			

OTHER (description):

COMPANY NAME HIGH COUNTRY PINES WATER COMPANY YEAR ENDING 12/31/2010

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2010 was: \$ 2,714

Attach to this annual report proof (e.g. property tax bills stamped “paid in full” or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

VERIFICATION

STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	MARICOPA
NAME (OWNER OR OFFICIAL) TITLE	SUSAN STROUD, PRESIDENT
COMPANY NAME	HIGH COUNTRY PINES WATER COMPANY

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

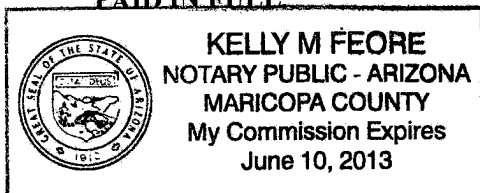
MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



Susan Stroud
SIGNATURE OF OWNER OR OFFICIAL
602 274 5933
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 29th DAY OF

COUNTY NAME	<i>Maricopa</i>	
MONTH	<i>March</i>	<i>2011</i>

(SEAL)

MY COMMISSION EXPIRES June 10, 2013

Kelly M. Feore
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME HIGH COUNTRY PINES WATER COMPANY YEAR ENDING 12/31/2010

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>(4,682)</u>
Estimated or Actual Federal Tax Liability	<u>0</u>
State Taxable Income Reported	<u>(4,637)</u>
Estimated or Actual State Tax Liability	<u>45</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>N/A</u>
Amount of Gross-Up Tax Collected	<u>N/A</u>
Total Grossed-Up Contributions/Advances	<u>N/A</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

3/23/2011
DATE

Susan Speed
PRINTED NAME

President
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
MARICOPA
NAME (OWNER OR OFFICIAL) TITLE
SUSAN STROUD, PRESIDENT
COMPANY NAME
HIGH COUNTRY PINES WATER COMPANY

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

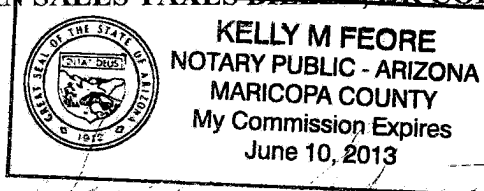
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2010 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 79,999

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 4,705
~~IN SALES TAXES BILLED, OR COLLECTED~~)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**



SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

29th

DAY OF

COUNTY NAME

Maricopa

MONTH

March

2011

(SEAL)

MY COMMISSION EXPIRES

June 10, 2013

SIGNATURE OF NOTARY PUBLIC

Kelly M. Feore

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	MARICOPA	
NAME (OWNER OR OFFICIAL)	SUSAN STROUD	TITLE PRESIDENT
COMPANY NAME	HIGH COUNTRY PINES WATER COMPANY	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

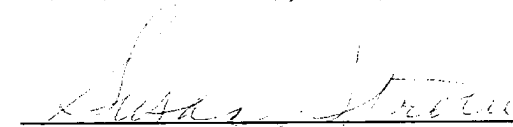
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>68,825</u>

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 4,048
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**


SIGNATURE OF OWNER OR OFFICIAL
602.274-5933
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

(SEAL)

MY COMMISSION EXPIRES

29th	DAY OF
KELLY M FEORE	
NOTARY PUBLIC - ARIZONA	
MARICOPA COUNTY	
My Commission Expires	
June 10, 2013	

NOTARY PUBLIC NAME	Kelly Feore
COUNTY NAME	Maricopa
MONTH	March
	2011


SIGNATURE OF NOTARY PUBLIC

June 10, 2013